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***GOVERNOR TESTIFIES ON NEED FOR SECOND STIMULUS PACKAGE
Says Congress Should Increase Support for Health Care, Infrastructure***

PHOENIX – Governor Janet Napolitano testified before Congress today that the nation is in need of a second stimulus package that increases federal contribution to Medicaid and provides funding for “ready-to-go” infrastructure projects that are already planned.

“One of the wisest and most effective things Congress can do now to speed a national recovery is to invest in the federal-state programs that Americans rely on during a downturn,” Governor Napolitano said in her written testimony before the Subcommittee on Health of the House Committee on Energy and Commerce. “Congress can stimulate the economy, provide enormous relief to state budgets, and ensure the most vulnerable Americans have a health care safety net to rely on during difficult times – a win-win-win.”

During difficult economic times, demand for Medicaid grows while state budgets shrink, the Governor said. This phenomenon results in a cycle that deepens the downturn: states nationwide must trim their budgets, which in turn worsens the downturn already taking place. Increased federal investment in Medicaid eases this pressure, and also means a quick injection of resources into the economy. More than 30 states are projecting budget deficits, the Governor said, and that number is likely to rise to more than 40.

Governor Napolitano also testified that a second stimulus package should create jobs by investing in infrastructure projects. “An infusion of federal infrastructure funding would stimulate the critical construction sector immediately because many infrastructure projects are already planned, and just need funding,” the Governor said in her written testimony. “Nationwide, 3,000 highway projects representing about \$18 billion in funding could be awarded and start construction within 90 days of federal stimulus legislation,” she continued, also noting border security infrastructure that has been planned and could be sped to completion.

A copy of the Governor’s written testimony is attached.

For more information about the Office of the Governor, please visit www.azgovernor.gov.